

Congress of the United States
Washington, DC 20515

June 9, 2016

The Honorable Gina McCarthy
Administrator
U.S. Environmental Protection Agency
Mail Code 1101A
1200 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

Dear Administrator McCarthy,

We write to express our support for the petitions for small refinery hardship relief submitted recently by Ergon Refining, Inc. and Ergon West Virginia, Inc.

The small refinery hardship standard was reinterpreted under an Addendum to the Department of Energy (DOE) Small Refinery Exemption Study issued in May 2014 without public notice or comment. This reinterpretation is inconsistent with the intent of Congress.

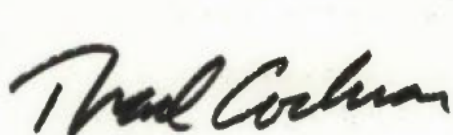
Congressional intent regarding small refinery hardship was reiterated in Consolidated Appropriations Act of 2016 signed into law December 18, 2015 (P.L. 113-114). Specifically, Congress did not intend for small refineries to bear a higher proportional cost than large refiners for compliance with the Renewable Fuel Standard (RFS). An ability to comply with RFS and remain profitable should not justify higher compliance costs for small refiners.

It is our understanding that Ergon Refining, Inc. and Ergon West Virginia, Inc. have disproportionate costs of compliance with RFS that are attributable to disparities in their diesel and gasoline production ratios. Refiners that produce more diesel fuel than the industry average cannot generate enough renewable fuel credits (RINs) through blending because of limitations on how much biodiesel can be blended into diesel. Because obligations under the RFS program are calculated on combined gasoline and diesel production, the petitioners must buy RINs to comply with it.

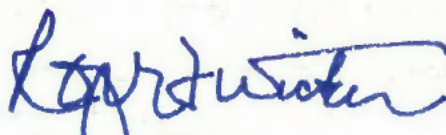
We respectfully request that your agency, in consultation with DOE, grant the petitioners' request for relief from disproportionately high RFS compliance costs. We also request to be informed of any change in the status of these petitions as they are considered by your agency.

Thank you for your attention to this matter.

Sincerely,



Thad Cochran
United States Senator



Roger F. Wicker
United States Senator



Gregg Harper
Member of Congress